KIU YUK CHAI & ANOR

v.

SUPERINTENDENT OF LANDS AND SURVEYS, SARIKEI DIVISION

HIGH COURT SABAH & SARAWAK, SIBU
CLEMENT SKINNER J
[LAND REFERENCE NO: 15-9-1998]
18 APRIL 2002

LAND LAW: *Acquisition of land - Compensation - Adequacy - Burden of proving that compensation inadequate - Whether upon the objector - Market value - Assessment of - Comparable sales method - 'Bottom-up' and 'top-down' approach - Whether appropriate - Land Code (Cap 81) (Sarawak), ss. 47, 48, 56, 59, 60, 61*

The State Government of Sarawak in this case had compulsorily acquired the objectors' land measuring 883 sq metres in area pursuant to the provisions of the Sarawak Land Code. Thereupon the defendant assessed the market value of the land at RM10 per sq metre, and in the event awarded RM8,830 to the objectors as compensation thereof. Dissatisfied with the award the objectors caused the matter to be referred to the High Court for determination. Before the learned judge and the assessors, the objectors argued that the market value of the subject land, upon the adoption of the comparative sales method of valuation, and the so-called 'bottom-up' and 'top-down' approach, was RM33 per sq metre, such as to entitle them to a compensation of RM29,000 and not the amount awarded.

Held:

[1] It is for the applicant to prove that the award was inadequate. It must also be noted that, while the courts recognize that there are several methods of valuation, the comparative sales of land method is generally accepted as the safest guide. (p 544 f & 546 d)

[2] In arriving at their value, the objectors were adopting a combination of the comparable sales method and the 'bottom-up' and 'top-down' method of valuation, but relying more on the latter two methods. However, none of the adjustments in either method were of matters normally associated with the comparable sales method of valuation, such as, for example, the adjustments for the shape and size of the land, for the conditions of title, for physical attributes of the land and for the availability of road access and amenities. (p 550 a-b)

[3] While the 'bottom-up' and 'top-down' method of valuation might be appropriate for assessing the value of land suitable for commercial development or those which had already been developed, it was not an appropriate method of valuation to assess the market value of the subject land, it being a small parcel of land and unsuitable for development. (p 550 c-d)

[4] The figure of RM33 per sq metre arrived at by the plaintiffs represented a mathematical solution rather than an assessment of the true market value on an evidential basis. It did not represent the average value of several sales comparables using the 'bottom-up' method or the average value of several sales comparables using the 'top-down' method. The figure, hence, was deprived of much of its evidential value. (p 551 c-d)

[5] The plaintiffs having failed to show that the award was inadequate, the award must therefore stand. In any case, the award was fair and reasonable and was supported by comparable sales selected by the government valuer. (p 551 f-g)

[Objectors' claim dismissed.]

Case(s) referred to:

Aik Hoe & Co Ltd v. Superintendent of Lands and Surveys [1968] 1 MLJ 293 ***(refd)***

Goh Ching Hua & Ors v. The Superintendent of Lands & Surveys, Third Division (Unreported) ***(refd)***

Ng Tion Hong v. Collector of Land Revenue, Gombak [1984] 2 MLJ 35 ***(refd)***

Ong Yan & Anor v. Collector of Land Revenue, Alor Gajah Malacca [1986] 1 MLJ 405 ***(refd)***

Superintendent of Lands and Surveys, Sarawak v. Aik Hoe & Co Ltd [1966] 1 MLJ 243 ***(refd)***

Vyricheria Narayana Gajapatiraju v. The Revenue Divisional Officer, Vizagaparam [1939] AC 302 ***(refd)***

Legislation referred to:

Land Code (Cap 81) (Sarawak), ss. 47, 56, 59, 60(1)(a), 61

For the 1st & 2nd objectors - Wong Sing Nang; M/s Wong Orlando Chua & Co
For the respondent - Joseph Chioh Hock Hua; State AG's Chambers

Reported by WA Shariff

JUDGMENT

Clement Skinner J:

This land reference is held pursuant to the provisions of s. 56 of the Sarawak Land Code (hereafter 'the Code').

In 1995, the Government decided to build a bridge across the Sungai Binatang to facilitate travel by road between Sibu and Kuching *via* Bintangor, Sarikei and Bandar Sri Aman.

The bridge was to be located at a place called Tanjung Genting, Meradong which is approximately 11km from Bintangor town. As the bridge head was to be sited on lands which were held under private ownership, the government decided to acquire them. Accordingly, on 9 November 1995 the Government caused a notice under s. 47 of the Code to be published in the Sarawak Government Gazette notifying the owners of 7 parcels of land in the Tulai Land District that their lands were likely to be needed for the provision of a site for the new bridge across Sungai Binatang. One of the lands affected was Lot 58, Block 6 Tulai Land District, measuring an area of 583 sq. meters (hereafter 'the subject land'), of which the registered co-proprietors in equal shares were Kiu Yuk Chai and Kiu Kwong Kee (hereafter 'the objectors').

On 2 October 1997 the Government caused to be published a notice under s. 48 of the Code in the Sarawak Government Gazette declaring that the subject land was required for a public purpose and on 7 October 1997, the Superintendent of Lands and Surveys Sarikei Division (hereinafter 'the respondent') informed the objectors, by notice, that he would hold an enquiry at the District Office, Meradong on 31 October 1997 to hear any claims for compensation they may have in respect of the resumption of their interest in the subject land.

The objectors attended that enquiry and asked to be paid RM20,000 by way of compensation but did not offer any evidence or tender a valuation report to support their claim for such payment. At that enquiry, the respondent also heard evidence given by the government valuer who assessed market value for the subject land at RM10 per square meter or RM8,830. At the conclusion of the enquiry the respondent awarded RM8,830 or RM10 per sq. meter to the objectors for the resumption of the subject land (hereinafter 'the superintendent's award').

The objectors being dissatisfied with the superintendent's award gave notice, requiring that the respondent refer this matter for the determination of the court. Hence this land reference. In accordance with the provisions of s. 59 of the Code two assessors in the person of Mr. Ung Sing Guo and Mr. Chieng Huo Hie were appointed, to assist the court.

Before dealing with the issues of fact, this will be an appropriate place to address the law applicable to a reference of this nature.

In determining the amount compensation to be awarded for land resumed by the government, the court hearing a land reference is required to take into account only those matters set out in s. 60 and to disregard those matters set out in s. 61 of the Code. It will not be necessary to set out here what those two sections state save to mention that for the purpose of this land reference, s. 60(1)(a) of the Code requires the court to determine the market value of the subject land at the date of the publication of the notification under s. 47. That event took place on 9 November 1995 (hereinafter 'the date of valuation'). Put another way, the relevant date for assessing the market value of the subject land is 9 November 1995.

With reference to that market value which the court is required to determine, the Code itself does not define the term "Market Value" but it has been adequately discussed in many other cases where the principles to be applied in determining market value, are set out. It will be sufficient to refer to two such cases.

In *Superintendent of Lands and Surveys, Sarawak v. Aik Hoe & Co. Ltd.* [1966] 1 MLJ 243, which was a case arising from a land reference held in Sarawak under the provision of s. 56 of the Code, the Federal Court held that the principles applicable for determining the market value of land are the same as under the Indian Land Acquisition Act 1894 and followed the advice of the Privy Council in *Vyricheria Narayana Gajapatiraju v. The Revenue Divisional Officer, Vizagaparam* [1939] AC 302, 312, where Lord Romer stated what the principles applicable in India were in the following terms:

> The compensation must be determined ... by reference to the price which a willing vendor might reasonably expect to obtain from a willing purchaser. The disinclination of the vendor to part with his land and the urgent necessity of the purchaser to buy must alike be disregarded. Neither must be considered as acting under compulsion. This is implied in the common saying that the value of the land is not to be estimated at its value to the purchaser ... it may also be observed in passing that it is often said that it is the value of the land to the vendor that has to be estimated. This, however, is not in strictness accurate. The land, for instance, may have for the vendor a sentimental value far in excess of its "market value'. But the compensation must not be increased by reason of any such consideration. The vendor is to be treated as a vendor willing to sell at 'the market price' ... It is perhaps desirable in this connection to say something about this expression 'the market price.' There is not in general any market for land in the sense in which one speaks of a market for shares or a market for sugar or any like commodity. The value of any such article at any particular time can readily be ascertained by the prices being obtained for similar articles in the market. In the case of land, its value in general can also be measured by a

> consideration of the prices that have been obtained in the past for land of similar quality in similar positions, and this is what must be meant in general by 'the market value'.

The decision in *Superintendent of Lands and Survey Sarawak v. Aik Hoe & Co. (supra)* was followed in *Ng Tion Hong v. Collector of Land Revenue, Gombak* [1984] 2 MLJ 35 where the Federal Court stated the following principles in determining market value:

> First, market value means the compensation that must be determined by reference to the price which a willing vendor might reasonably expect to obtain from a willing purchaser. The elements of unwillingness or sentimental value on the part of the vendor to part with the land and the urgent necessity to the purchaser to buy have to be disregarded and cannot be made a basis for increasing the market value. It must be treated on the willingness of both the vendor to sell and the purchaser to buy at the market price without any element of compulsion. Secondly, the market price can be measured by a consideration of the prices of sales of similar lands in the neighbourhood or locality and of similar quality and positions. Thirdly, its potentialities must be taken into account. The nature of the land and the use to which it is being put at the time of acquisition have to be taken into account together with the likelihood to which it is reasonably capable of being put to use in the future eg, the possibility of it being put to use for building or other developments. Fourthly, in considering the nature of the land regard must be given as to whether its locality is within or near a developed area, its distance to or from a town, availability of access road to and within it or presence of a road reserve indicating a likelihood of access to be constructed in the near future, expenses that would likely be incurred in levelling the surface and the like. Fifthly, estimates of value by experts are undoubtedly some evidence but too mush weight should not be given unless it is supported by, or coincides with, other evidence.

Next, something must be said about the burden that rests upon an objector or landowner who is dissatisfied with a superintendent's award (which is handed down after an enquiry) and requests that the matter be referred to the court for determination. In *Superintendent of Lands and Surveys, Sarawak v. Aik Hoe & Co. Ltd. (supra)*, Suffian J (as he then was) speaking for the Federal Court held that it is for the owners to prove that the award was inadequate. This is what his Lordship said about the matter at p. 247:

> ... it is for the owners to prove that the award is inadequate. Broomfield J in *Assistant Development Officer, Bombay v. Tayaballi Allibhoy Bohari* AIR [1933] Bom. 361 said at page 364:

> The party claiming enhanced compensation is more or less in the position of a plaintiff and must produce evidence to show that the award is inadequate. If he has no evidence the award must stand, and if he succeeds in showing *prima facie* that the award is inadequate, then Government must support the award by producing evidence.

In *Goh Ching Hua & 2 Ors. v. The Superintendent of Lands & Surveys, Third Division* Sibu High Court Land References nos. 5, 6, 7 & 8 of 1969 (unreported), B.T.H. Lee J, took the same approach as in *Aik Hoe*'s case when he held:

> Quite clearly it is for the applicant to prove that the award was inadequate and our view in this case is that the applicant has not discharged the burden imposed on him.

It will be convenient to now describe the subject land in greater detail so that the evidence that has been led before this court can be properly appreciated.

The subject land is located at Tanjung Genting Bazaar, a distance of about 11 km south-east of Bintangor Town. It is rectangular in shape. It is a first lot and therefore enjoys direct frontage onto the Tanjung Genting Road. Essential services such as water supply, electricity and telephone are available for connection to it. At the date of valuation, no such connections were made and the general level of the subject land was about 1 meter or so below the level of Jalan Tanjung Genting/Pradom. The subject land is held under title and is classified as Mixed Zone Land/Country Land, with a term of lease that expires on 2 February 2041, having been registered on 3 February 1981. The special conditions on which the subject land is held are:

(a) it is to be used only for the purpose of a dwelling house;

(b) development must be in accordance to plans approved by the Superintendent of Lands and Surveys, Sixth Division;

(c) the erection of the building shall be in accordance with drawings approved by the Binatang District Council and shall be completed within 18 months from date of registration of the lease ie, from 3 February 1981.

The lands in the immediate neighbourhood and locality of the subject land are predominantly held under agricultural title with many under cultivation of crops such as pepper, cocoa, rubber and fruit trees. Tanjung Genting Bazaar itself consists of a row of five units of double-storey reinforced concrete commercial shophouses.

Evidence was given by the government valuer called by the respondent, Christina Lau (PW1), and it is also stated in her Valuation Report (exh. R3), that after the subject land was alienated to the objectors, they submitted an application to subdivide it into three (3) units of double storey shoplots. The application was rejected and no further application was received for the development of the subject land. This evidence was not disputed or challenged by the objectors.

To prove that the superintendent's award was inadequate, the objectors relied solely on the evidence of Mr. Wong Ing Siang, a registered valuer (since late 1981) and property consultant specialising in valuation. He prepared a valuation report on the subject land (exh. P1) after a visit to it on 1 April 1999. Mr. Wong's opinion is that the market value of the subject land on 9 November 1995 was RM33 per sq. meter. According to Mr. Wong, to arrive at this figure he adopted the comparative sales of land method of valuation which method "entails the collection and analysis of evidence of sales of similar land in the locality and after having considered all relevant factors, an objective opinion is formed of value for the land at the relevant date of s. 47 notification."

Case law shows that while the courts recognise that there are several methods of valuation, the comparative sales of land method is generally accepted as the safest guide. Thus, in *Ong Yan & Anor v. Collector of Land Revenue, Alor Gajah Malacca* [1986] 1 MLJ 405 Wan Yahya J said (at p. 406):

> The five known methods of valuation are usually based on:
>
> (i) opinion of experts;
>
> (ii) costing method ie, by adding to the primordial value of the land and costs of improvement and all elements of profits;
>
> (iii) comparative sale of lands in the neighbourhood of the acquired land;
>
> (iv) a number of years' purchase of the profit from the land acquired;
>
> (v) the residual method ie, by retrocessive deduction of the cost of development and building from built up property so as to arrive at the residual cost of the land.
>
> of that recognised methods, the most frequently resorted to and certainly the best guide to a fair valuation is the comparative method – see *Nanyang Manufacturing Co. v. The Collector of Land Revenue, Johore* [1954] MLJ 69.

And in *Superintendent of Lands and Surveys, Sarawak v. Aik Hoe & Co. Ltd. (supra)* Suffian J (at p. 247) agreed with what Buhagiar J had said in the *Nanyang* case, that:

> .... the safest guide to determine the fair market value is evidence of sales of the same land or similar land in the neighbourhood, after making due allowance for all the circumstances.

Reverting now to the testimony of Mr. Wong, he described what evidence of sales he relied upon in adopting the comparative sales method of valuation. He first identified 22 parcels of land which had been involved in transactions between the years 1992 and 1998. These parcels were selected because some of them had been acquired by Government for which comparation had been paid, while others had been involved in sales transactions or subjected to assessment of stamp duty when they were involved in a transaction.

It is pertinent to note, however, that none of the 22 parcels of land selected by Mr. Wong as comparable sales, was residential land; they were either agricultural land or housing lots within a housing estate suitable for the construction of a semi-detached or detached house.

Mr. Wong said that as there was no true comparable in the locality for the subject land which was conditioned for residential use only, he resorted to the second best approach which was to "adjust the value from the second best evidence to arrive at the value of the subject land." For this second best approach, Mr. Wong adopted what he described as the 'bottom-up' and 'top-down' method. For his 'bottom-up' method he selected as a comparable sale, a piece of agricultural land and adjusted its value upwards. He explained that he adopted this method because if agricultural land, which is generally regarded as lower in value than residential land, is to be converted for residential use, it becomes more valuable and therefore has to be adjusted up to 'top-up' its value.

For his 'top-down' method Mr. Wong selected as a comparable sale a transaction concerning a housing plot, which is generally regarded as more valuable than vacant residential land (since the cost of the necessary subdivision, infrastructure and amenities have already been spent on the plot), and adjusted its value down to arrive at a value of the subject land.

For his "bottom-up" approach, Mr. Wong selected sales transaction No. 15 (out of his list of 22 comparables) which involved a sale in July 1996 of 2/3 undivided shares in Lot 44 Block 3, Tulai Land District, measuring 1.226 hectares, for RM57,500 thereby giving a price of approximately RM70,000 per hectare or RM7 per square meter. Mr. Wong said this transaction was selected as the date of sale was closest to 9 November 1995 and the land was located along Jalan Tanjung Genting.

Taking the unit price per square meter for sale No. 15 in July 1996 at RM7, Mr. Wong made the following adjustments:

1) A 5% deduction as he discerned a rising trend in land values between 1995 and 1996 (from his study of the stamp duty assessment on some of the 22 sales comparables). Therefore, to give the land a value at November 1995, he deducted 0.35 cent ie, 5% of RM7.00. This gave an adjusted value of RM6.65 cent per square meter gross i.e. for the whole land;

2) He then considered that if agriculture land is converted to a housing lot, certain portion of the land must be surrendered back to the Government when the land is subdivided. The land therefore becomes smaller in size. To obtain a conversion from gross value to nett value, Mr. Wong used the adjustment factor 100/70 based on 2 housing developments in Bintangor where land was surrendered for subdivision into housing lots and in one case (Lot 118, Block 2 Maradong Land District) out of 9874 sq. meters, 2683 meters was surrendered which represented 27.7% of gross land area before subdivision. In terms of gross to nett ratio, this represents 100/72. In the second case (Lot 68 to Lot 70, Block 2 Maradong Land District) out of 13,893 sq. meters, 5,286.7 meters was surrendered which represented 38.2% of gross land area before subdivision. In terms of gross to nett ratio this represents 100/62. So Mr. Wong took the ratio of 100/70 or 42.86% or RM2.85 for incremental adjustment. Having obtained a nett ratio, Mr. Wong arrived at the 1995 value per sq. meter nett of RM9.50 (ie, RM6.65 + RM2.85);

3) He then considered that a developer will have to pay conversion fees to convert agricultural land to housing lots and estimated the conversion fees at RM5.00 per square meter. He accordingly adjusted the value by adding RM5.00 per square meter nett to the value in November 1995 bringing it up to RM14.50;

4) He then considered that a developer would also, in a normal housing development, have to carry out infrastructure works such as building roads, drains, power supply, sewerage and water for which he estimated the cost at RM5.00 per square meter nett. Mr. Wong accordingly adjusted the value by adding the sum of RM5.00 per square meter;

5) He then estimated the financing costs of the infrastructure works, which he estimated it would take one year to complete, at 10% of RM5 giving RM0.50 cent to be added;

6) He then added the cost of holding the land during the development process, which he estimated to take 3 years to complete, at 10% a year compound on the value of the land at November 1995 ie, RM9.50 making RM3.15 cent to be added onto the value of the land;

7) At the end of the process, this gave an adjusted value of the land at RM23.15 before allowing for developers' profit and risk element which Mr. Wong estimated at 20% of RM23.15, making a sum of RM4.63 to be added to the value, thus giving an overall adjusted value of RM29.72 per square meter nett for the subject land.

For his "top-down" approach, Mr. Wong selected sales No. 12 which is a housing lot known as Lot 467 Block 2, Maradong Land District, measuring 317.4 sq. meters suitable for a semi-detached house at Taman Bochuan Bintangor, which in June 1994 sold for RM40,000 giving a price of RM126 per square meter.

From the unit price of RM126 per square meter in June 1994, for sale No. 12, Mr. Wong made the following adjustments:

(1) since the housing lot was sold earlier than the date of acquisition, Mr. Wong added 5% or RM6.30 to reflect the trend of rising value of land giving a value of RM132.30 per sq. meter in November 1995.

(2) To adjust the value of the housing lot to residential land, Mr. Wong deducted the following costs which were put into the land:

(a) earthfill at RM15.00 per sq. meter nett

(b) Mr. Wong estimated it would take one year for the earthfill to settle and therefore deducted holding costs for one year at 10% of RM132.30 which amounts to RM13.23, leaving an adjusted value of RM104.07

(c) However, as the land was about 10 km from Bintangor, a further adjustment for location was made at 65% amounting to RM67.65 leaving a final adjusted value of RM36.42 per square meter nett for the subject land.

By adopting the 'bottom-up' and 'top-down' approach Mr. Wong arrived at two different values for the subject land at 9 November 1995 ie, RM29.72 (using the 'bottom-up') and RM36.42 (using the 'top-down'). To reconcile this difference, he took the average of the two figures which gave a figure of RM33 per square meter nett.

Therefore, in Mr. Wong's opinion, as the subject land's area was 883 sq. meters with a unit value of RM33 per sq. meter, he determined the market value of the subject land on 9 November 1995 at RM29,129 which when rounded off makes RM29,000 payable for the subject land.

Having considered carefully and fully the evidence of Mr. Wong, we have come to the conclusion that the market value of the subject land on 9 November 1995 was not RM29,000 and we say so for the following reasons.

Although Mr. Wong said he adopted the comparative sales method of valuation, a closer examination of how he arrived at his value suggests that he adopted more in name than in substance, a comparative sales method of valuation. In substance he adopted a combination of the comparable sales method and the 'bottom-up' and 'top-down' method of valuation but relying more on the latter two methods. I have taken some pains to describe what the adjustments applied by Mr. Wong in the 'bottom-up' and 'top-down' method consisted of and it will be seen that apart for one adjustment made for 'location' in the 'top-down' method, none of the adjustments in either method were of matters normally associated with the comparable sales method of valuation, such as, for example, adjustments for shape and size of land, conditions of title physical attributes of the land, and availability of road access and amenities.

We are of the view that whereas the 'bottom-up' and 'top-down' method of valuation may be suitable and appropriate when assessing the value of land suitable for commercial development or has already been developed, it was not an appropriate method of valuation to arrive at the market value for the subject land which was a rather small parcel of land and subject to the express condition that one dwelling house only may be built thereon, and especially so in view of the undisputed fact that the objectors had applied to subdivide it into three units of shoplots but their application was rejected. The subject land was therefore not suitable for development purposes whereas the factors used for adjustments in Wong's 'bottom-up' approach were for land involved in a commercial development for a housing project, where the developer is motivated by profit requirements. Thus, for example, Mr. Wong made an adjustment of 20% for profit and risk which might be appropriate for a large scale housing developer who would expect a return on his investment of 20% but inappropriate to the subject land which is not suitable for large scale development. Likewise, Mr. Wong made an adjustment for reduction in size of land when agricultural land is surrendered for subdivision for development purposes. Whilst this might be appropriate in the case of land to be converted for housing development purposes, it was inappropriate in this case where the subject land is already residential land with no requirement for surrender and reduction in size. Again, Mr. Wong's adjustment for conversion premium may be appropriate for land being converted for housing development whereas here, the subject land does not require any conversion. Similarly, Mr. Wong has made adjustment for cost of infrastructure, building roads and sewerage etc. which may be appropriate for a housing development but not for an individual piece of land. Mr. Wong also made an adjustment for financing or holding costs of infrastructure works which he estimated to take one year which may be appropriate to a large housing development land whereas we are here concerned with the subject land which is a small piece of land. Likewise, Mr. Wong made

an adjustment for financing cost over three years. While this may be appropriate for a large scale housing development which will take three years to complete, it is inappropriate in the case of a small piece of land where building works would probably only take some six to months to complete.

We should also point out that Mr. Wong's use of the 'bottom-up' and 'top-down' approach produced two different sets of values but he did not attempt to express a preference for the use of one over the other and to offer reasons for such preference; instead, he chose to reconcile the difference in values by taking the average between the two. In our opinion by resorting to taking the average between two sets of values which had each been arrived at by using a different method of valuation and by applying different adjustments, the figure of RM33 per square meter represented a mathematical solution rather than an assessment of true market value on an evidential basis, as a result of which the figure of RM33 per square meter was deprived of much of its evidential value since it did not represent either the average value of several sales comparables using the 'bottom-up' method or the average value of several sales comparables using the 'top-down' method. It has been said that "land valuation inevitably involves an element of appreciation and impression as well as some element of local knowledge" (see *Aik Hoe & Co. Ltd. v. Superintendent of Lands and Surveys* [1968] 1 MLJ 293 at 295). In our view, the figure of RM33 per square meter, being the average between two sets of values arrived at on a different basis, also lacked that element of appreciation and impression referred to in *Aik Hoe*'s case.

For all the reasons given above, we regret that we are unable to agree with Mr. Wong's opinion regarding the market value of the subject land at 9 November 1995. It follows, therefore, from what we have said, that the objectors have failed in showing that the superintendent's award was inadequate and the award must, therefore, stand.

Even though we do not need to say so, we are of the view that on the facts disclosed in this land reference, the superintendent's award is fair and reasonable and can be supported by the evidence of comparable sales selected by the Government Valuer, RW2, that is, of three (3) sales of land in the resettlement scheme in Sarikei which was similar to the subject land in size, classification/ category condition of title and condition of land but making the necessary adjustments for location, improvement and time which RW2 did. We do appreciate that the lands at Sarikei are located some distance away from the subject land but we consider that in the peculiar situation which faced both Mr. Wong and Ms. Chia, namely, the absence of any comparable sales of residential lands in Tanjung Genting, they were not too far to constitute

acceptable evidence of comparable sales but of course, making the appropriate adjustment for difference in location (as well as other adjustments associated with the comparable sales method).

In the result, we dismiss the objectors' claim for increased compensation and uphold the superintendent's award.